



**BILLING CODE 3410-90-P**

**DEPARTMENT OF AGRICULTURE**

**Office of the Secretary**

**2 CFR Parts 415 and 416**

**Rural Utilities Service**

**7 CFR Part 1780**

**National Institute of Food and Agriculture**

**7 CFR Part 3430**

**Department of Agriculture Regulations for Grants and Agreements; Update of Citations**

**AGENCY:** Office of the Secretary, Rural Utilities Service, National Institute of Food and Agriculture, and Office of the Chief Financial Officer, Department of Agriculture.

**ACTION:** Final rule.

**SUMMARY:** The Office of Management and Budget (OMB) revised sections of its Guidance for Grants and Agreements in August 2020. This final rule amends the regulations of several United States Department of Agriculture agencies to reflect the revised OMB guidance and make technical corrections to the Department's grants and agreements regulations.

**DATES:** Effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Tyson Whitney, Office of the Chief Financial Officer, Director, Transparency and Accountability Reporting Division, United States Department of Agriculture, 1400 Independence Avenue, SW, Washington, DC 20250-9011, 202-720-8978, [tyson.whitney@usda.gov](mailto:tyson.whitney@usda.gov).

**SUPPLEMENTARY INFORMATION:** The regulations in 2 CFR chapter IV set forth the United States Department of Agriculture’s (USDA) regulations for grants and agreements. In a final rule published December 19, 2014 (79 FR 75982), USDA’s Office of the Chief Financial Officer adopted 2 CFR part 200, along with an agency-specific addendum in a new 2 CFR part 400. The regulations in 2 CFR parts 415, 416, 418, and 422 were established. The regulations in 2 CFR chapter IV updated and replaced provisions that had previously been found in 7 CFR parts 3015, 3016, 3018, 3019, 3022, and 3052.

The regulations of several USDA agencies in title 7 refer to and cite the grants and agreements regulations. Following the publication of the various final rules establishing the regulations in 2 CFR chapter IV, those agencies updated their regulations so that they referred to the new grants and agreements regulations in title 2 rather than the predecessor regulations in title 7. As a result of the August 13, 2020, publication of the Office of Management and Budget’s “Guidance for Grants and Agreements” (85 FR 49506), we have identified a number of instances where technical corrections are necessary. This final rule makes those technical corrections where needed.

### **Effective Date**

This rule relates to internal agency management and makes various nonsubstantive changes to the regulations in titles 2 and 7 of the Code of Federal Regulations to make technical corrections to the Department’s grants and agreements regulations. Accordingly, notice and other public procedure on this rule are unnecessary and contrary to the public interest.

Therefore, pursuant to 5 U.S.C. 553, notice of proposed rulemaking and opportunity to comment are not required and this rule may be made effective less than 30 days after publication in the *Federal Register*. Further, since this rule relates to internal agency management, it is exempt

from the provisions of Executive Orders 12866, 12988, and 13771. Finally, this action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 501) and, thus, is exempt from the provisions of that Act.

### **Paperwork Reduction Act**

This final rule contains no new reporting, recordkeeping, or third-party disclosure requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

### **List of Subjects**

#### **2 CFR Parts 415 and 416**

Accounting, Administrative practice and procedure, Agriculture, Auditing, Business and industry, Colleges and universities, Community development, Cost principles, Economic development, Government contracts, Grants administration, Grant programs, Grant programs – housing and community development, Hospitals, Indians, Loan programs – agriculture, Nonprofit organizations, Reporting and recordkeeping requirements, Rural areas, State and local governments.

#### **7 CFR Part 1780**

Community development, Community facilities, Grant programs-housing and community development, Loan programs-housing and community development, Reporting and recordkeeping requirements, Rural areas, Waste treatment and disposal, Water supply, Watersheds.

#### **7 CFR Part 3430**

Administrative practice and procedure, Agriculture research, Education, Federal assistance.

Accordingly, 2 CFR parts 415 and 416 and 7 CFR parts 1780 and 3430 are amended as follows:

**Title 2—[Amended]**

**PART 415—GENERAL PROGRAM ADMINISTRATIVE REGULATIONS**

1. The authority citation for part 415 is revised to read as follows:

Authority: 5 U.S.C. 301; 31 U.S.C. 901-903; 7 CFR 2.28.

2. In § 415.1, paragraphs (a)(1) and (b)(10) are revised to read as follows:

**§ 415.1 Competition in the awarding of discretionary grants and cooperative agreements.**

(a) \* \* \*

(1) Potential applicants must be invited to submit proposals through publications such as the Federal Register, OMB-designated governmentwide website as described in 2 CFR 200.204, professional trade journals, agency or program handbooks, the Assistance Listings, or any other appropriate means of solicitation. In so doing, awarding agencies should consider the broadest dissemination of project solicitations in order to reach the highest number of potential applicants.

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(b) \* \* \*

(10) The Assistance Listings number and title.

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**PART 416—GENERAL PROGRAM ADMINISTRATIVE REGULATIONS FOR  
GRANTS AND COOPERATIVE AGREEMENTS TO STATE AND LOCAL  
GOVERNMENTS**

3. The authority citation for part 416 is revised to read as follows:

Authority: 5 U.S.C. 301; 31 U.S.C. 901-903; 7 CFR 2.28.

## **§ 416.1 [Amended]**

4. Section 416.1 is amended as follows:

a. In paragraph (a), by removing the citation “2 CFR 200.101(e)(4) through (6)” both times it appears and adding the citation “2 CFR 200.101(f)(4) through (6)” in its place.

b. In paragraph (b), by removing the citations “2 CFR 200.101(e)(4) through (6)” and “2 CFR 200.319(b)” and adding the citations “2 CFR 200.101(f)(4) through (6)” and “2 CFR 200.319(c)” in their places, respectively.

## **Title 7—[Amended]**

### **PART 1780—WATER AND WASTE LOANS AND GRANTS**

6. The authority citation for part 1780 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989; 16 U.S.C. 1005.

## **§ 1780.3 [Amended]**

7. In §1780.3(a), the definition of *Simplified acquisition threshold* is amended by removing the citation “2 CFR 200.88” and adding the citation “2 CFR 200.1” in its place.

### **PART 3430—COMPETITIVE AND NONCOMPETITIVE NON-FORMULA FEDERAL ASSISTANCE PROGRAMS – GENERAL AWARD ADMINISTRATIVE PROVISIONS**

8. The authority citation for part 3430 continues to read as follows:

Authority: 7 U.S.C. 3316; Pub. L. 106-107 (31 U.S.C. 6101 note).

## **§ 3430.41 [Amended]**

9. In § 3430.41, paragraph (b) is amended by removing the citation “section 210 of 2 CFR Part 200” and adding the citation “2 CFR 200.211” in its place.

**Stephen Censky,**

*Deputy Secretary, U.S. Department of Agriculture.*